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11-03-61

MEMORANDUM FOR: Deputy Director (Plans)

SUBJECT : Early Retirement Legislation for the
Clandestine Services

REFERENCES : DD/P Memorandum, 18 September 1961,
same subject

1. The officers of the CS whom you designated in your memorandum of 20 September 1961 have met frequently since 9 October. We have interpreted your instructions in the broadest sense, giving careful consideration to all changes and refinements that can be made in our present career system to increase and improve the opportunities for a productive and rewarding career in the CS. We should like to see a career in the CS made as attractive as possible, not only as a just recognition of an important job well done but especially to improve the Service by attracting highly competent people and managing them in a fair and efficient way. We have no qualms in recommending a career system exclusively for the Clandestine Services and those officers of the Agency outside the Clandestine Services affiliated closely with it. These officers perform duties quite different from the duties performed by the members of other components of the Agency and they are entitled to a system designed to fit their needs and just deserts. We have had somewhat more difficulty in dealing with the question of designing two or more career systems for members of the Clandestine Services. The difficulty here is obvious. To treat people closely associated in a common effort in different ways is likely to produce friction and resentment to some degree. On the other hand, it is a fact that one

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group of people in the Clandestine Services work under conditions different from the conditions under which other members of the Clandestine Services work and it is fair and reasonable to recognize this difference in the systems used in their management. After weighing all the pertinent points the members of the committee decided that we should recognize the facts of our professional life and recommend systems to fit the needs of the two groups.

2. Pertinent Factors

a. Rates of pay in the CS are those established by the Congress for the government at large. On this basis our people as a group are better paid up to GS-11 than people of comparative ability and age in other departments of the U. S. Government. This is because the advancement in the CS is more rapid and the classification of jobs more liberal. Above GS-11, however, an officer in the CS is frequently paid less than an officer in the Department of State with approximately the same responsibility. The pay of our officers in senior positions is less than the pay of officers in comparable positions in the Military Services and the Foreign Service.

b. We have in the Clandestine Services fewer executive positions (supergrade) in proportion to the officer strength of the Clandestine Services than the Foreign Service and the Military Services.

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c. About half of the officers of the CS perform duties which are comparable in all essential respects to the duties performed by officers in other components of the Agency and, indeed, in other agencies of the government. Many of these officers occupy positions which require a high level of skill, excellent education and abilities above the average. The opportunities available to them for higher pay is limited and should be improved. On the other hand, it would be very difficult to justify the establishment of a more advantageous system for the benefit of these individuals.

d. There is another group of officers in the CS who carry out professional assignments over a long period of time. Their duties require them to serve abroad under cover in often hazardous undertakings, rotate to headquarters and then to the field again under circumstances which deprive them of an opportunity to become established in a community and which impose other restrictions on their manner of living. As things now stand these officers have limited career opportunities to compete for senior executive positions in our Service or outside. It is for this relatively small corps of professional operatives that benefits should most properly be improved. Because of the youthfulness of the Agency and of this group of officers in the CS, this problem is only now becoming acute.

3. The Clandestine Services has officers who constitute a hump. To make our Service an aggressive and efficient one we must have means of separating people of less value than we are willing to accept. Our experience with our 701-702 indicates that while retaining this useful

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procedure on the books we must modify it somewhat to meet our future needs. It would be most useful and, indeed, is essential that we have other means for separating from the Clandestine Services officers who have served the government faithfully and well for the long period of 20 years. If we continue to separate officers whose services are not required as soon as the situation is apparent, we shall require 701 and hopefully move these people out before they put in 20 years or 15 or 12 for that matter. But when an officer has 20 or more years government service he should be spared the indignity of being declared surplus and separated involuntarily if that can be made possible. It would be more appropriate to give him the opportunity to retire voluntarily although discreet pressure might be exerted to accomplish the desired end.

4. Recommendations

a. Early Retirement

We recommend that the DCI seek legislation which would authorize him to approve the voluntary retirement of selected officers 50 years of age with 20 years of Agency service at a flat 2% computation without reduction for those years of age under 60. This authority should be as broad as possible. We should avoid committing ourselves to criteria but we should justify the need for early retirement in selected cases because of service overseas, the frustration and inconvenience of serving under cover, the disadvantages of non-official cover, hazardous duty and obligation to serve under military control in an emergency. As in the case of law enforcement personnel, such retirements should be justified primarily on the basis of the physical requirements of the

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job and the sometimes hazardous and unusual activities involved which results in the person being no longer capable of carrying on efficiently. Likewise, the more generous computation formula is justified in order to make the earlier retirement (with resultant shorter service) economically possible. More important, however, is the fact that early retirement would be an essential tool of management to clear out officers of less than highest value and make way for highly competent junior officers to rise to senior positions. The handling of the right to early retirement should be, under our present organizational structure, the responsibility of the DCI who could encourage one officer to retire voluntarily while declining to approve the request for early retirement by another officer whose continued services are required.

b. Foreign Operations Corps

We recommend the establishment in the Clandestine Services of a Foreign Operations Corps. This selected group would initially include officers of the Clandestine Services and officers of other components of the Agency affiliated with the Clandestine Services, grades 12 to 15, who possess the prescribed qualifications for acceptance into the Corps. Such of those officers as move into Supergrade ranks would continue to be entitled to any benefits available to the Corps. These individuals should have served abroad and be willing and able to serve abroad again at any time and at any place. They should be willing to undertake assignments under non-official cover. Their performance should be excellent in all respects and their promise for the future bright in every way. In selecting this Corps we really have two problems.

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The first is to select from the officers of the Clandestine Services GS-12 through 15, age 40 and above at present who should be admitted to the Corps. The second task is to screen officers as they reach GS-12 and age 40. This screening and selecting process should be performed by officers of supergrade appointed by the DD/P for the purpose. By this process members of the Clandestine Services at 40 years of age will have a good idea of what their career prospects are and they can act accordingly. As a result of this review some officers will be separated under R-701. Some officers will be told that their work is of a high order, that it is essential to the success of our endeavor but that it does not qualify them for admission to the Foreign Operations Corps and the reasons for this decision. These officers may elect to continue their career in the pattern of the Civil Service with the usual pay, the usual promise of promotion and retirement. Of course, they may elect to shift their career to other endeavors. We believe that a sizeable number of officers put in this category will decide to remain with the Clandestine Services where they will be just as well off as they would be in most other agencies or departments of government.

c. Compensation R-702

We recommend that the benefits provided by R-702 be improved. It is important that we have in the CS a fair and orderly process for separating officers who are surplus to our needs as soon as the limits of their ability and their promise can be determined. R's 701 and 702 are useful procedures for this purpose but the separation benefits available to our personnel are less than the entitlements of personnel separated for similar reasons in the Military Services and the Foreign Service.

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d. Rates of Pay

(1) All professional staff employees should begin their career under the same system. Their pay scales, eligibility for promotion and retirement should be the same. Promotions from GS-7 to GS-11 should be at a rather rapid pace, probably automatic after time in grade with satisfactory performance. Promotion of officers above GS-11 should be competitive. The pay of officers of the Foreign Operations Corps and their opportunity for advancement should be approximately those of the Foreign Service. By increasing substantially the number of supergrades with a sizeable increase in the number of grade GS-15's, a reasonable equating of salary opportunities could be realized within the authority already vested in the DCI. There is attached a rough distribution of grades GS-9 and above which the committee offers as a point of departure. The committee also feels there should be established a very few "Super Supergrades" with a salary of \$19,800 per annum, which is the equivalent of Career Minister rank in the Foreign Service.

(2) The committee also reviewed the attached revised compensation schedule which was developed by the Office of Personnel for consideration as an Agency Pay Scale. That schedule groups certain combinations of General Schedule pay range within each grade level. The committee agreed that such a pay scale seemed to offer real advantages in the management of the Clandestine Services personnel. The committee recommended further consideration of the feasibility of adopting such a plan for the Clandestine Services.

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5. Promotions

Nothing is more important to the well being of the CS than promotions, made after a reasonable time in grade and qualifying performance. There is no magic in the process. Even the most vocal critics of slowness admit that we must base our spaces on a fair classification of jobs and that we must stay within our allowance. This means that we can make more promotions and thus increase the speed only by having spaces available into which to promote and by controlling our rate for the long run. If we can provide spaces by retirement, regular and early, and through R 701-702, we can maintain a satisfactory rate of promotions. This is a most important reason for early retirement.

6. Career Management

No matter how good the system may be we shall not have contented officers producing to their maximum unless we utilize their talents to the greatest advantage. This means that assignments to positions and to training including instruction in languages must be made with the greatest care and with the broadest possible appreciation of the requirements of the CS. If we are to provide first class management as we believe we are progressively doing we shall greatly facilitate this important effort by adopting the proposals made in this paper.

7. If you approve these proposals in principle we suggest that you authorize me to solicit the views of the Director of Personnel, which step you provided for in referenced memorandum.


Chief, Operational Services

2 Attachments

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